Prepared by:

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Case 2:23-cv-00159-AMA-CMR

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IN THE UNITED STATES DISTRICT COURT DISTRICT OF UTAH, CENTRAL DIVISION

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

GREEN UNITED, LLC, et al.,

Defendants.

[PROPOSED] INTERIM ORDER ON DEFENDANTS' MOTIONS TO DISMISS

Case No. 2:23-cv-00159-BSJ

Judge Bruce S. Jenkins

Case 2:23-cv-00159-AMA-CMR

On May 19, 2023, Defendants Green United, LLC and Wright Thurston filed a motion to dismiss the complaint pursuant to Federal Rules of Civil Procedure 9(b) and 12(b)(6). [Dkt. #23]. In their motion, Defendants argued that (1) the motion should be dismissed because plaintiff had not adequately pleaded the existence of a security; (2) the fraud claims were not pleaded against Mr. Thurston with the specificity required by Rule 9(b); and (3) the complaint suffered from constitutional infirmities.

On May 19, 2023, Defendant Kristoffer Krohn filed a motion to dismiss the complaint pursuant to Federal Rules of Civil Procedure 9(b) and 12(b)(6). [Dkt. #28]. In his motion, Mr. Krohn argued that (1) the motion should be dismissed because plaintiff had not adequately pleaded the existence of a security; (2) the fraud claims were not pleaded against him with the specificity required by Rule 9(b); and (3) the complaint suffered from constitutional infirmities.

Following full briefing of both motions, the Court held oral argument on September 8, 2023. Based upon the briefing and arguments, the COURT ORDERS AS FOLLOWS:

- 1. Mr. Thurston's motion to dismiss the fraud claims asserted against him pursuant to Rule 9(b) is granted with leave to amend the claims against Mr. Thurston in reference to fraud.
- 2. The Court reserves ruling on the remainder of both motions to dismiss.
- 3. By September 25, 2023, Defendants shall file a supplemental memorandum with their explanation of (a) what a Green Box is, (b) what any accompanying software is, and (c) what Green United sold to people.
- 4. Plaintiff shall respond to Defendants' supplemental memorandum by October 13, 2023.

5. Because Defendants' Motions are still pending, Plaintiff shall file an amended Complaint against Wright Thurston, if any, only after the Court has ruled on the pending Motions to Dismiss, and only if the Court does not grant those Motions with prejudice.

DATED this _____ day of May 2023.

BY THE COURT:

Honorable Bruce S. Jenkins District Court Judge

CERTIFICATE OF SERVICE

On this 18th day of September 2023, I hereby certify that I electronically filed a true and correct copy of the foregoing with the Clerk of the Court using the CM/ECF system, which sent notification and service to all counsel of record.

/s/ Jonathan D. Bletzacker